



JAMES A. NOYES, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

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July 22, 2004

IN REPLY PLEASE

REFER TO FILE: **PD-3**

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012-2756

Dear Supervisors:

**COUNTY IMPROVEMENT DISTRICT NO. 2659-M, SHRODE AVENUE SEWERS  
UNINCORPORATED COUNTY AREA IN THE VICINITY OF THE CITY OF DUARTE  
SUPERVISORIAL DISTRICT 5  
4 VOTES**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Upon the determination that the majority of Proposition 218 Ballots are in favor of assessments and improvements herein and at the conclusion of the Public Hearing scheduled for August 24, 2004:

1. Adopt the enclosed Amended and Restated Resolution of Intention for the construction of sanitary sewers.
2. Adopt the enclosed Resolution Confirming Assessment and Ordering Improvements Made for the construction of sanitary sewers under County Improvement District No. 2659-M (Shrode Avenue Sewer Project).

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

This project involves the construction of sanitary sewers in the unincorporated County area in the vicinity of the City of Duarte to provide sewer service to 64 parcels. The project area is located south of Pamela Road, east of Sawpit Wash, north of Camino Real, and west of Mountain Avenue.

On May 11, 2004, your Board approved a Resolution of Intention and a Resolution Setting a Public Hearing on July 27, 2004. Since that time, the Public Hearing has been rescheduled for August 24, 2004. Your Board also instructed Public Works to mail out the Notices of Assessment and the Proposition 218 ballots. The enclosed Amended and Restated Resolution of Intention simplifies the legal language and corrects several errors in the legal references to the Municipal Improvement Act of 1913 and the Improvement Act of 1915 used in the previous adopted Resolution of Intention.

The recommendations will allow the continuation of work on the assessment district and provide necessary authorization to prepare the construction contract documents and proceed with the improvements.

Section 53753 of the California Government Code and Proposition 218 require that a public hearing for any new or increased assessment be conducted after notice of such hearing is given at least 45 days in advance. Unless a majority of the ballots cast is in favor of the proposed assessments pursuant to Proposition 218, the proposed assessment must be abandoned. In addition to the public hearing, the law requires a public meeting. On June 27, 2003, Public Works conducted a community meeting.

Confirming the assessments and ordering the improvement will allow Public Works to proceed with the preparation of the final construction plans and the construction bid package.

### **Implementation of Strategic Plan Goals**

This action is consistent with the County's Strategic Plan Goal of Community Services as this project will increase the quality of life for residents of a community in an unincorporated area of Los Angeles County.

### **FISCAL IMPACT/FINANCING**

If the County Improvement District is formed, all costs incurred by the County in the Shrode Avenue Sewer Project are to be recovered from proceeds from the County Improvement District. Proceeds will be generated from assessments to the benefited property owners and the sale of bonds secured by such assessments. Your Board's approval will not result in any direct fiscal impact on the County.

The Honorable Board of Supervisors  
July 22, 2004  
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### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

These proceedings are governed by Chapter 3 of the Municipal Improvement Act of 1913 (Sections 10200 and 10300 et seq.) of the Streets and Highways Code.

The Resolution Confirming Assessment and Ordering Improvements Made and the Amended and Restated Resolution of Intention have been approved as to form by County Counsel.

### **ENVIRONMENTAL DOCUMENTATION**

On September 2, 2003, Synopsis 35, your Board approved the Negative Declaration for the proposed project and determined that the proposed project will not have a significant impact on the environment.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

If the proposed sewer project is not implemented, many of the affected property owners will be forced to provide increasing maintenance and, in some instances, complete replacement of their private sanitary systems.

### **CONCLUSION**

Upon approval, please return one approved copy of this letter to us. Also, please forward one approved copy to both County Counsel and to the Auditor-Controller.

Respectfully submitted,

JAMES A. NOYES  
Director of Public Works

JRP:yr

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Enc.

cc: Auditor-Controller  
Chief Administrative Office  
County Counsel  
Treasurer and Tax Collector

**COUNTY IMPROVEMENT DISTRICT NO. 2659-M**  
**(SHRODE AVENUE SEWER PROJECT)**  
***AMENDED AND RESTATED***  
**RESOLUTION OF INTENTION**  
**FOR THE CONSTRUCTION OF SANITARY SEWERS**

WHEREAS, it has been determined by the Board of Supervisors of the County of Los Angeles, California (County) that proceedings have commenced and are being conducted under and in accordance with provisions of the Municipal Improvement Act of 1913 (the Municipal Improvement Act of 1913) for the construction of sanitary sewers; and

WHEREAS, it is the intention of the Board to undertake these proceedings pursuant to Article XVI, Section 19, of the Constitution of the State of California, as implemented by Part 2 of Chapter 4.56 of the Los Angeles County Code, to determine whether the public convenience and necessity require the improvements hereinafter described; and

WHEREAS, the Board deems it to be the best interest of County to issue and sell bonds representing the assessments, pursuant to Division 7 (commencing with Section 5000) of the California Streets and Highways Code, the Improvement Act of 1911 (the Improvement Act of 1911); and

WHEREAS, the Board desires to amend and restate the County Improvement District No. 2659-M (Shrode Avenue Sewer Project) Resolution of Intention for the Construction of Sanitary Sewers adopted on May 11, 2004.

NOW THEREFORE, THE BOARD RESOLVES:

**SECTION 1**

It is the intention of the Board to determine that the public convenience and necessity require work to be done and improvement made, all in the County of Los Angeles, State of California, and to order such work and improvement made as follows, to wit:

First: The construction of sanitary sewers and appurtenances around Shrode Avenue and surrounding streets in the unincorporated County area adjacent to the Cities of Duarte and Irwindale.

Second: The resurfacing of the trench in the streets wherein aforementioned sanitary sewers are constructed.

Third: All the improvements shall be made and done pursuant to the Municipal Improvement Act of 1913.

## SECTION 2

The District to be benefited and to be assessed to pay the cost and expense thereof, and to be known as the assessment district, shall be all that part of the County of Los Angeles, having exterior boundaries as shown on a map of the district approved by the Board and endorsed with the certificate of Executive Officer-Clerk of the Board, which map is on file in the Executive Office of the Board. Reference is hereby made to the map for a full and complete description of the assessment district and the map shall govern for all details as to the extent of the Sewer Reimbursement District.

## SECTION 3

This proposed improvement was referred to the Director of Public Works and said Director of Public Works filed with the Executive Officer-Clerk of the Board of Supervisors a report, in writing, in accordance with Section 10204 of the Streets and Highways Code, presenting the following:

1. Plans and specifications of the proposed improvements.
2. An estimate of the cost of the proposed improvement including the cost of rights of way, easements, and the cost of the incidental expenses in connection therewith including the cost of registering bonds.
3. A diagram showing the boundaries of the assessment district above referred to, and the boundaries of the subdivisions within said district, as they existed at the time of the passage of the Resolution of Intention, each of which subdivisions shall be given a separate number upon said diagram.
4. A proposed assessment of the total amount of the cost and expenses of the proposed improvement upon the several subdivisions of land in said district in proportion to the estimated benefits to be received by such subdivision, respectively, from said improvements. Said assessment shall refer to such subdivisions upon said diagram by the respective number thereof.
5. A proposed maximum annual assessment upon each of the several subdivisions of land in the district to pay costs incurred by the County and not otherwise reimbursed which result from the administration and collection of assessments or from the administration or registration of any associated bonds and reserve or other related funds.

## SECTION 4

The Board of Supervisors proposes to find and determine that the public convenience and necessity require such improvement. At the time and place fixed for hearing protests to the proposed improvement, a public hearing will also be held, pursuant to Part 2 of Chapter

4.56 of the Los Angeles County Code, to hear protests to making such finding and determination by the Board. Since the passage of Proposition 218 (California Constitution, Articles XIII C and XIII D) by the California voters in November 1996, any new assessment is now subject to property owner approval. As a result, an assessment ballot and public hearing notice will be mailed to all property owners within the proposed annexation boundaries no less than 45 days prior to the public hearing. After such public hearing, if the weighted ballots are in favor of the improvement and assessment and the Board finds and determines that the public convenience and necessity requires said improvement, it may order such improvement without further proceedings with respect to the debt limitation or majority protest provisions of Division 4 of the Streets and Highways Code of the State of California.

## SECTION 5

It is hereby determined and declared that registered serial bonds shall be issued in accordance with the Improvement Act of 1911 to represent each unpaid assessment of One Hundred Fifty and 00/100 Dollars (\$150.00) or more remaining unpaid for thirty (30) days after the date of the recording of the diagram and assessments for this improvement. The registered serial bonds shall mature no later than 24 years from the second day of January next succeeding the next September following their date.

The principal sum shall become due and payable to the Treasurer in equal annual payments beginning on the October 15th, next succeeding the September 1st, and next following the date of the bonds until fully paid.

The first interest payment shall be payable to the Treasurer on the April 15th next succeeding the March 1st or the October 15th next succeeding the September 1st, as the case may be, next following the date of the bonds. The following interest payments shall be for six (6) months interest and shall be payable coming due the October 15th immediately preceding the last annual payment of the principal of the bonds issued to represent the unpaid assessment.

A two percent (2%) per month penalty, as provided in Section 6442 of the Streets and Highways Code, shall be imposed on any delinquent installment of the principal of the unpaid assessment or of interest thereon. The two percent (2%) penalty first imposed shall be retained by the Treasurer as a cost of servicing the delinquency and all subsequent penalties shall be paid to the holder of the bond along with and as part of such defaulted payment.

The bonds shall bear interest at a rate to be determined on the sale thereof provided, however, that said rate shall not exceed the maximum rate of interest allowable by law at the time of the sale. The redemption provisions of said bonds shall provide a premium of five percent (5%) of unmatured principal.

## SECTION 6

It is the opinion of the Board that the public interest will not be served by allowing the property owners to take the contract for the work to be done under these proceedings.

## SECTION 7

After completion of this improvement and the payment of all claims from the improvement fund, the amount of the surplus, if any, remaining in the improvement fund by reason of the assessment and any supplemental assessment levied for said improvement shall be used: (a) for transfer to the general fund of the County of Los Angeles provided that the amount of the surplus does not exceed One Thousand and 00/100 Dollars (\$1,000.00) or five percent (5%) of the total amount expended from the improvement fund, whichever is less; or (b) if the amount of the surplus is greater than that allowed under (a), then as a credit upon the assessment and any supplemental assessment, in the manner provided in Section 10427.1 of the Streets and Highways Code, provided, however, that if no supplemental assessment has been levied, the entire amount of the surplus shall be applied as a credit to the assessment; or (c) for the maintenance of the improvement. If any surplus results for the reasons stated in Section 10427.5 of the Streets and Highways Code, such surplus shall be disposed of as provided in the Section.

The foregoing resolution was on the \_\_\_\_ day of \_\_\_\_\_, 2004, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts for which said Board so acts.

VIOLET VARONA-LUKENS  
Executive Office of the  
Board of Supervisors of the  
County of Los Angeles

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By Paul V. Hanson  
Deputy

**COUNTY IMPROVEMENT DISTRICT NO. 2659-M  
SHRODE AVENUE SEWER PROJECT  
FOR THE CONSTRUCTION OF SANITARY SEWERS  
RESOLUTION**

**CONFIRMING ASSESSMENT AND ORDERING IMPROVEMENTS MADE**

WHEREAS, the Board of Supervisors (the Board) of the County of Los Angeles, State of California, did on May 11, 2004, adopt a Resolution of Intention under the Municipal Improvement Act of 1913 for the construction of sanitary sewers under County Improvement District No. 2659-M (Shrode Avenue Sewer Project); and

WHEREAS, the "Report," containing the Plans and Specifications, an Estimate of Cost, a Diagram and Assessment has been presented to and considered by this Board; and

WHEREAS, on June 27, 2003, a public meeting was conducted to receive additional public comments regarding the proposed improvement; and

WHEREAS, due notice of the time and place for hearing objections or protests to the proposed improvement and to the making of a finding and determination by the Board, pursuant to Part 2 of Chapter 4.56 of the Los Angeles County Code that the public convenience and necessity require such improvement has been published as required by law, and notice of said hearings has been mailed to the property owners; and

WHEREAS, the Board did on August 24, 2004, adopt an Amended and Restated Resolution of Intention under the Municipal Improvement Act of 1913 for the construction of sanitary sewers under County Improvement District No. 2659-M (Shrode Avenue Sewer Project); and

WHEREAS, on August 24, 2004, a public hearing was held in the manner provided by Section 53753 of the California Government Code and Proposition 218; and

WHEREAS, the Proposition 218 Ballots of the property owners have been tabulated and it has been determined that the majority of ballots weighted by respective assessments are in favor of the assessments and the improvements; and

WHEREAS, this Board has heard all objections or protests in relation to the proposed improvement and to the making of such finding of public convenience and necessity.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Los Angeles:

1. That the Board hereby finds and determines that the public convenience and necessity require the proposed improvements and, therefore, pursuant to



Article XVI, Section 19 of the Constitution of State of California in accordance with Part 2 of Chapter 4.56 of the Los Angeles County Code, the provisions of law and debt limitation and majority protests shall not apply.

2. That the "Report," the Proposed Assessments, the Maximum Annual Assessments, and the Assessment Diagram are hereby confirmed.
3. That the improvements be made in accordance with the Amended and Restated Resolution of Intention and "Report" for County Improvement No. 2659-M.
4. That the County Treasurer and Tax Collector is hereby authorized and directed to establish a special fund account to be known as the "Improvement Fund for County Improvement No. 2659-M."
5. That the Assessment is hereby levied upon the respective subdivisions of land in the Assessment District.

[illegible]

The foregoing Resolution was on the \_\_\_\_\_ day of \_\_\_\_\_, 2004, adopted by not less than a four-fifth vote of all members of the Board of Supervisors of the County of Los Angeles and ex-officio of the governing body of all other special assessment and taxing districts for which said Board so acts.

VIOLET VARONA-LUKENS  
Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By Paul T. Hanson  
Deputy